



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 10, 2000

### **H.R. 4744** **Truth in Regulating Act of 2000**

*As ordered reported by the House Committee on Government Reform on June 29, 2000*

#### **SUMMARY**

H.R. 4744 would require the General Accounting Office (GAO), at the request of a Chairman or Ranking Minority Member of an authorizing committee with appropriate jurisdiction, to independently evaluate and report on certain regulatory rules issued by federal agencies. The rules subject to review would be those that could have an annual effect on the U.S. economy of at least \$100 million or that could adversely affect the economy, environment, public health and safety, or state, local, or tribal governments. Each GAO report would include an evaluation of the potential costs and benefits of implementing a particular rule, alternative approaches for achieving the rule's goal at a lower cost, and an evaluation of the regulatory impact analysis or other assessment performed by the agency issuing the rule. To carry out these functions, the bill would authorize the appropriation of \$5.2 million for each of fiscal years 2001 through 2003. The bill would not take effect until 180 days after enactment, and would not apply to rules issued more than three years after that date.

Subject to appropriation of the authorized amounts, CBO estimates that implementing the bill would cost \$14 million over the 2001-2005 period. Enacting H.R. 4744 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 4744 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 4744 is shown in the following table. This estimate assumes that the authorized amounts will be appropriated for each year from 2001 through 2003. The outlays estimated for 2001 are lower because the bill would not take effect until

180 days after enactment. The costs of this legislation fall within budget function 800 (general government).

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
GAO Spending Under Current Law						
Estimated Authorization Level <sup>a</sup>	379	397	412	427	442	458
Estimated Outlays	379	394	409	421	436	452
Proposed Changes						
Authorization Level	0	5	5	5	0	0
Estimated Outlays	0	3	5	5	1	0
GAO Spending Under H.R. 4744						
Estimated Authorization Level	379	402	417	432	442	458
Estimated Outlays	379	397	414	426	437	452

a. The 2000 level is the amount appropriated for that year. The levels shown for 2001 through 2005 are baseline projections, reflecting annual adjustments for anticipated inflation. Without such adjustments, the level would stay constant at \$379 million.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4744 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

## ESTIMATE PREPARED BY:

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